BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

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JUN 1 5 1995

In the Matter of

Petition for Rule Making Filed by Pacific Bell Mobile Services
Regarding a Plan for Sharing the Costs of Microwave Relocation

RM-8643

To: The Commission

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STATEMENT OF METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Metropolitan Water District of Southern California ("Metropolitan"), by its attorneys and pursuant to Section 1.405(a) of the Rules and Regulations of the Federal Communications Commission ("FCC" or "Commission"), respectfully submits this Statement in response to the above-captioned Petition for Rule Making filed by Pacific Bell Mobile Services ("PacBell") on May 5, 1995. 1/

STATEMENT OF INTEREST

1. Metropolitan transports over two and a half billion gallons of water a day and ranks as one of the world's largest water agencies. Geographically, its operations range from urban downtown Los Angeles to extremely rural desert areas around Death Valley. The water imported by Metropolitan from the Colorado River and the

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 $[\]frac{1}{2}$ Public Notice, Report No. 2073, released May 16, 1995, mimeo 53920.

California State Water Project makes up almost half of all the water used by 15 million consumers in Southern California. This imported water is wholesaled to 27 member public agencies, which work with 130 sub-agencies to retail the water to homes, businesses, and farms in a 5,200 square mile service area.

- 2. Southern California's notoriously dry climate makes Metropolitan's service an extremely crucial one. The area's population, which includes thriving urban centers, such as Los Angeles and San Diego, as well as rural desert communities, would be unable to survive without Metropolitan's water deliveries.
- 3. Metropolitan relies heavily on VHF and UHF land mobile communications systems to safely, efficiently and reliably provide Southern California with water. To support its internal communications among maintenance and repair crews throughout rural and urban Southern California, Metropolitan also relies on critical private operational-fixed microwave service licensed under Part 94.
- 4. Metropolitan's Part 94 microwave system communications are used in the coordination, transportation and use of hazardous materials at six treatment plants in

the Los Angeles basin. These hazardous materials, such as chlorine and caustic sodas, are necessary to treat the enormous amount of water handled by Metropolitan. The Department of Transportation, pursuant to federal legislation, has determined that these materials, in their undiluted form, require strict supervision in their use and transport. Metropolitan's operational-fixed microwave system is a crucial part of the overall efforts that Metropolitan undertakes to accomplish these federally-imposed safety goals. This communications system also is used to administer critical clean-up work in the event a chemical spill occurs.

5. Metropolitan is the licensee of several call signs authorizing Part 94 facilities in the frequency band 1850-1990 MHz. These facilities operate on frequencies covering broadband Personal Communications Service (PCS) Blocks A and B in the Los Angeles Major Trading Areas (MTA). Metropolitan's longest link covers 38 miles.

STATEMENT

6. PacBell's petition notes that current Commission rules do not provide any mechanism to share the costs of

<u>2</u>/ <u>See</u> 49 C.F.R. Parts 171-179.

microwave incumbent relocation among those PCS licensees who benefit from its relocation, an activity that will apparently be undertaken by the first PCS licensee to be impacted. As a licensee of a multi-link private microwave system, Metropolitan is sympathetic to PacBell's concerns about the "free-rider" problem, and believes that PacBell's initiative may present the framework upon which the Commission can create procedures that expedite the PCS implementation process while enhancing the ability of incumbents to have their entire system changed-out by one PCS provider. However, for reasons detailed below, Metropolitan believes PacBell's reimbursement formula and associated price cap of \$600,000 per link for the costs of incumbent relocation is unfair to Part 94 licensees, such as Metropolitan, who operate systems that traverse rural and desert terrain and include highly-sensitive environmental areas. Relocation costs are substantially higher in these sensitive areas, and are likely to exceed PacBell's price $cap.\frac{3}{}$

7. The conversion of Metropolitan's links to digital capability may likely necessitate the purchase of additional

Metropolitan is concerned that PacBell's petition included no cost data or basis in support of the \$600,000 per link price cap.

microwave transmitter sites in wilderness areas. Besides the difficulty of obtaining sites through the U.S. Bureau of Land Management, which controls large portions of the California desert, building at wilderness area sites can easily be double the "standard" cost of site acquisition and construction. This doubling of costs is primarily due to the fact that these environmentally sensitive lands make standard (less costly) construction techniques impossible to employ. Metropolitan estimates that, all other things being equal, "standard" (non-environmentally sensitive) costs approximate \$300,000 per link. Hence, wilderness area construction costs can exceed PacBell's \$600,000 price cap.

8. Metropolitan is concerned that, should the Commission propose and adopt PacBell's cap, that "uncompensated" costs would have to be borne by Metropolitan's ratepayers -- the residents and businesses of Southern California. As a state "district" agency, operating its microwave system in the Power Radio Service, Metropolitan is supported by the taxpayers of California. 4/ Failure to have microwave relocation costs

½/ See Rule 90.17(a) and Rule 90.63(a)(3). Eligible in the Local Government Radio Service, as the operator of a water distribution utility, Metropolitan operates its Part 94 facilities as a Power Radio Service eligible.

fully and fairly compensated will ultimately have these extra costs borne by California taxpayers.

WHEREFORE, THE PREMISES CONSIDERED, the Metropolitan Water District of Southern California respectfully requests that the Federal Communications Commission take action on PacBell's petition in a manner consistent with the views expressed herein.

Respectfully submitted,

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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Date: June 15, 1995